

MEETING #12– April 4

At a Public Hearing of the Madison County Board of Supervisors on April 4, 2017 at 7:00 p.m. in the Madison in the Madison County Administration Center Auditorium located at 414 N. Main Street:

PRESENT: R. Clay Jackson, Chair
Jonathon Weakley, Vice-Chair
Robert W. Campbell, Member
Charlotte Hoffman, Member
Daniel Campbell, County Administrator
V. R. Shackelford, III, County Attorney
Mary Jane Costello, Assistant County Administrator/Finance Director
Jacqueline S. Frye, Deputy Clerk

ABSENT: Kevin McGhee, Member

Agenda:

Call to Order

Pledge of Allegiance & Moment of Silence

1. Determine Presence of a Quorum/Adopt Agenda:

Chairman Jackson called the meeting to order. Supervisor McGhee was absent. A quorum was established.

Chairman Jackson called for additions or corrections to the Agenda.

Supervisor Campbell moved the Board adopt the Agenda as presented, seconded by Supervisor Hoffman. *Ayes: Jackson, Weakley, Campbell, Hoffman. Absent: McGhee. Nays: (0).*

2. Public Comment:

Chairman Jackson opened the floor for general comments not related to the FY2018 proposed budget. With no comments being brought forth, the public comment opportunity was closed.

3. Public Hearing on FY2018 Budget:

Chairman Jackson noted that the purpose of tonight's meeting is to attain public input on the proposed FY2018 budget for Madison County; the session was turned over to the Finance Director to provide a synopsis of the FY2018 budget.

Mary Jane Costello, Finance Director, provided the following budgetary synopsis:

FY2018 Proposed Budget Highlights

- Net budgeted expenditures of \$39,963,861; represents an increase of \$1,670,933 (4.36%)
- Net receipts of County (all funds) is \$1,103,875 (2.89% increase)
- The proposed budget assumes use of \$631,678 of opening fund balance (to balance the budget)
- As of 6/30/16, unassigned general fund balance of \$11,842,493 – the use of fund balance in the FY2018 budget constitutes 5.33% of the aforementioned balance (as of 6/30/16)
- Proposed budget includes a contribution to the school board of \$8,605,633 (increase of \$165,370 from the FY2017 adopted budget [1.96% increase to school board operating budget {local share}])
- Proposed budget provides a 2% salary increase to county staff effective 8/1/2017 (1.83% annualized increase)
- County health insurance rates increased in FY18 [range of 3.9% to 4.38%]
- Excluding COLA (cost of living allowance of 2% for 11 months), most departments/county offices are held being held at FY2017 spending levels

Significant Changes from FY2017 Budget

- Local share for CSA increased \$170,000 (17.35%)
- County debt service increased \$174,200 (12.71%)
- County's contribution to CVRJ increased \$233,200 (30.98%)
- County completed its commitment to support the rescue squad program in FY2017 – results in a decrease in funding (to the rescue squad) of \$150,000 in FY2018

Special Provisions

- \$60,000 for partial 2019 reassessment costs

- \$25,000 for new records management system (Commissioner of the Revenue)
- \$150,000 of EOC grant funded equipment & \$60,000 for new Sheriff CAD System and related software
- \$25,000 for DSS roof replacement (included in Facilities & Maintenance departmental budget)
- Contingency provision (in the FY2018 budget) of \$397,500 (non-departmental] represents:
 - ✓ \$42,500 (increase from FY2017)
 - ✓ Increase is primarily due to additional provision for potential Sheriff's IT needs for CAD system

FY2018 Executive Summary

- ✓ Total transfers: \$11,828,641 (\$11,796,000 [coming from the general fund])
- ✓ Debt Service: Required to be funded by the general fund [considered a general county obligation due to county having taxing authority]
- ✓ Vast majority of debt being funded is for the school
- ✓ Significant increases are noted in VPA, CSA and debt service

Debt Service (difference from FY2017 to FY2018)

- ✓ Overall debt has increased by \$174,197 (12.71% increase)
- ✓ About \$1,434,000 (of the balance of \$1,544,480) is debt related to the school system
- ✓ School related debt has increased 16.52%
- ✓ County related debt has decreased almost 21% (County debt is for capital leases [smaller dollar amounts and for shorter duration of time])
- ✓ At the end of FY2018, the County will be carrying \$10,371,895 of debt (non-budgeted)
- ✓ Total funding provided (by the County) to the school system signifies a major commitment
- ✓ Transfers removed from the general fund
- ✓ Debt service (split between County and school system)
- ✓ \$11,022,183 (total debt service for County) – 1.95%
- ✓ \$11,023,183 (total debt service for school system) – 2.36%
- ✓ \$2,778,429 (total debt service for VPA [Social Services]) – 20.55%
- ✓ \$3,500,000 (total debt service for CSA) – 16.67%

School operating

- ✓ \$20,288,100 (1.59% overall increase)
- ✓ Including all school funds and allocated debt: total FY2018 is \$22,602,249 (increase of 2.36% [\$521,088] from FY2017)
- ✓ Total percentage increase in funding for the schools: 3.81% (from \$9,671,119 to \$10,039,782)

Allocated Funding (including debt service)

- ✓ County will receive about 39.98% in funding from the State
- ✓ Funding received from local taxes will be about 48.18%
- ✓ Funding allocation between State and local varies significantly (i.e. by individual fund)
- ✓ About \$11,600,000 of the \$19,200,281 (local taxes, fees, other revenues) will go towards the schools, CSA and social services

FY2018 Proposed Budget by Fund & Revenue Sources

- ✓ School: 44% state funded and 44% local funded
 - ✓ Social Services: 51% federal funded; 30% state funded; 19% local funded
 - ✓ CSA: 67% state funded; 33% local funded
 - ✓ Three (3) top items that local government spends funds on include:
 - ❖ Education: 44% [\$10,043,402]
 - ❖ Public Safety: 27% [\$6,108,397]
 - ✓ Regional Jail at 16%
 - ✓ Emergency Operations (E911) at 16%
 - ✓ Sheriff at 31%
 - ✓ EMS at 20% (decrease related to a vehicle [budgeted/purchased in FY2016 – funding noted in FY2018 budget])
- Total of 83% of all public safety funding being spent**

- a. Health & Welfare: 8% [\$1,870,406] (only includes local share of health/welfare [excludes state and federal revenues expenditures])

Total 79% of the total general fund

- VPA (local share): \$496,027 (27%)
- CSA (local share: \$1,150,000.00 (61%)

Total of 88% of total

FY2018 Proposed CSA & VPA Expenditures

- ✓ Budget figures from 2017 to 2018 show a rapid increase for VPA and CSA (75% increase from FY2014 to FY2018)
- ✓ Budget figures from 2017 to 2018 for CSA are larger; the County pays a larger percentage of funding and has a greater burden on the County's general fund
- ✓ Total CSA Expenditures for 2014 to 2018 show a pattern of constant increases
- ✓ Expenditures will exceed proposed budgeted amount – supplemental appropriation is being assessed
- ✓ FY2018 is budgeted at FY2016 levels – based on the actual trends, changes may well be needed

Challenges for the future

- ✓ Trend of health/welfare spending (CSA); internal efforts can be made to assess effectiveness of spending; prevention most like will require community awareness and involvement
- ✓ Madison County's required funding of the regional jail; focus on cost containment at the jail and/or finding additional sources so that the jail is fully utilized; changes can only be initiated by the regional jail board, and not the County
- ✓ Long-term capital needs of the County and School Board (proposed document doesn't include multiple requests by various County department heads)
- ✓ Future sources of increased funding, including growth and tax structure

The County Administrator advised that the Finance Director has endeavored to provide the Board with a clear picture of County funding sources (i.e. general) and trends. In closing, he urged the members to review tonight's presentation to assess budgeting trends and factors.

a. Public Hearing Session:

Chairman Jackson opened the floor of the public hearing on the FY2018 budget.

The following citizens provided comments:

- ❖ *Peg Crigler (Madison County Library Board): Comments pertained to the local library being an independent, non-profit corporation that serves all citizens; organization receives supplemental funding from the State Library (\$34,000.00) based on a formula (established by the Code of Virginia) – supplement is directly tied to funding received from the locality, and can only be used for specific expenses (i.e. purchase of new books, access to e-books, access to databases, audio books, new computers, etc.); library has been behind in the code requirement for quite some time; recently established an endowment fund; in order to receive supplemental funding, the library must show that some increase is being sought; without state aide, the library will not be able to maintain its current level of service to the community; there is no guarantee of the state waiver; urged the Board to will value the library's contribution to the community and support the entity as it moves to develop a more solid foundation.*
- ❖ *Brian Duncan, Executive Director (Rappahannock Rapidan Community Services): Thanked the County officials (i.e. Sheriff, Commonwealth Attorney, Board of Supervisors, etc.) that have been involved in meetings/discussions about services provided to the County from the RRCSB; noted there is value in the services provided by the RRCSB and the meetings have allowed all parties to express their concerns/frustrations; noted the development the 'no wait time' access for services (outside of the County); the CIT Center continues to operate very successfully; noted the budget request submitted to all participating localities shows a proposed increase in funding – County's intent is to 'level fund' the RRCSB; noted the County has been a long-time supporter of the RRCSB; feels the RRCSB can provide ideas to help manage costs and is uniquely positioned to provide input. Feels that RRCS can provide some early intervention concepts to help prevent the need for most costly services.*
- ❖ *Albert Martin: Comments pertained to the many services the library offers to the community; the library provides a wealth of knowledge and is a vital part of the community; urged the Board to try and find a way to fund the library so they can receive the state supplement (\$34,000.00) in order for the library to continue to provide services to the community.*
- ❖ *Bonita Burr (Madison Electoral Board): Noted that the electoral board has requested an additional \$700.00 for the purchase of electronic poll book software updates – these updates were originally funded by the State; however, the State began working on its own version of software which may or may not be released in the coming year – these funds are needed in order to cover the costs to purchase a poll book for each voting location for the future election. Also noted the request of \$25,000.00 per year (contingency provision) for the purchase of new election voting equipment that is being researched for future purchase.*

The Finance Director noted that the request of \$25,000.00 is noted in the Registrar's departmental budget (not in contingency), and is also noted in the FY2017 budget although these funds will not be expended. At the end of FY2017, an assigned fund balance will be established where the aforementioned funds will be reserved for its future use.

Ms. Burr further explained that the agreement (between the County and electoral board) calls for \$25,000.00 to be allocated (to the electoral board/registrar) annually for the purchase of future voting equipment. It's uncertain at this time what the total cost will be, as various voting equipment models are being assessed.

The County Administrator advised that the funds will be noted as being 'restricted' or 'assigned.'















- ❖ *Deb Bischler: Comments pertained to the library as being 'a good place'; environment is very save/welcoming for all; staff very knowledgeable and friendly; ready programs provided to pre-school students – children involved in their education are less likely to be involved in trouble; doesn't want to see the library lose state funding; urged the County to do what it can to help the library.*
- ❖ *Robert Legge (RRCSB Chair): Comments pertained to funding request presented by the RRCSB (\$13,000.00), programs offered [i.e. senior center, rapid response clinic, etc.], improved turnaround time now being offered; feels that prevention and community involvement is cheaper than intervention; referred to recent opiate situation in the locality; RRCSB has hired a certified addiction specialist; Heroin to Hope Program founded (in conjunction with efforts initiated through Madison Strong); plans being made to hire a substance abuse counselor at the regional jail (to be funded by the regional jail); encouraged Board to help the RRCSB so that lives can be saved.*
- ❖ *Suzanna Spencer [REDACTED] (Madison Electoral Board & Madison Library Board): Comments pertained to the library's initiative to support literature, offer high-speed internet access, and reading programs (students read to her therapy dog during the summer and school reading programs); many students involved in the reading programs have gone on to pursue greater goals; encouraged the County to continue supporting the local library.*
- ❖ *Eleanor Montgomery: Noted that the Board did a good job working on the FY2018 budget.*
- ❖ *Bob Chappell (Madison County School Board): Thanked the Board helping the County; appreciates the support.*

Chairman Jackson: Referred to an email submitted **from** Tom Weaver that's in opposition to raises for local teachers. *(Copy of email will be attached to minutes in the file)*

- ❖ *Steve Wagner (Madison County Library Board): Comments focused on the many accomplishments of the facility; the local library ranks at the bottom of the 'per capita' level on the state library list, and is one of the lowest for salary compensation; noted the following statistics for 2016:*
 - ✓ 30,000 visitors
 - ✓ 4,000 active library card holders
 - ✓ 29,000 items checked out
 - ✓ 4,000 individual downloads
 - ✓ 6,000 computer sessions
 - ✓ 9,000 wireless hits
 - ✓ 2,400 people accessed library programs
 - ✓ 3,000 hours of reading for afterschool programs
 - ✓ 800 children attended the reading programs
 - Encouraged the County to continue supporting the library; thanked the County for past years of support; complimented the Board on the 2018 budgetary process

With no further comments, Chairman Jackson closed the floor of the public hearing on the FY2018 budget.

Comments from the Board:

- Supervisor Hoffman:
 -  The Board worked diligently on the FY2018 budget
 -  Cuts were made in order to eliminate the need to raise County taxes
 -  Very few departments presented requests for additional funding
 -  Appreciative of departments keeping costs down
 -  Requests presented tonight will be assessed
 -  Hopes the Board will be able to meet funding requirements presented this evening
- Supervisor Campbell:
 -  Thankful for the opportunity to serve the citizens for the past four (4) years
 -  Board is charged with spending taxpayer dollars wisely
 -  Board is responsible for education and public safety
 -  Doesn't feel the County should use taxpayer dollars to provide additional funding to various organizations
 -  Urged those that support an organization to be willing to donate funding
 -  Verbalized concerns about past issue involving the library
 -  Feels the library is a 'good thing'
 -  Encouraged organizations to hold fundraisers (like the Madison Free Clinic recently held)

- ✚ Noted that funding allocated to the electoral board is earmarked (and not County surplus or hoarded funds)
- ✚ Feels the RRCSB does excellent things for the County
- ✚ Encouraged citizens to understand the local governmental process
- ✚ County's fund balance has steadily increased
- ✚ County is more fiscally responsible (than in past years)
- ✚ Review of school's budgets from 2013 to the present showed several line items exceeded budgeted funding
- ✚ School's debt service was transferred to the County
- ✚ Referred to allegations that the learning process would be better if local teacher salaries were more comparable to those in Northern Virginia
- ✚ Feels school and county staff and teachers are decently compensated (based on salaries plus benefits package)
- ✚ Feels the school and county both have good employees
- ✚ Local teachers aren't sub-standard
- ✚ SOL's are a standard part of education – feels the local school system can meet those standards
- Supervisor Weakley concurred with Supervisor Hoffman in that:
 - ✚ The Board will consider comments made tonight (i.e. RRCSB, Library Board, Electoral Board)
- RRCSB:**
 - ✚ Board can look at future opportunities to work with the RRCSB and other agencies to manage mental health needs
 - ✚ Questioned if part-time staff could be in Madison 1x weekly (to provide mental health and/or other services)
- CSA:**
 - ✚ CSA costs have escalated tremendously (from 2011 to the present)
 - ✚ Shortage of foster home placement homes in the locality precipitates additional costs for residential treatment care
 - ✚ Regional Jail:
 - ✚ Incarceration to the regional jail is a failed approach
 - ✚ Electoral Board:
 - ✚ Additional funding request of \$700.00
- Salaries:**
 - ✚ Noted that Rappahannock County had to borrow funds to accommodate payroll a few years back
 - ✚ Desires the County to be financially stable for the future
 - ✚ Suggested that equity gaps be dealt with (EMS, teachers)
 - ✚ Suggested County and school system doesn't want the County to have to go to the bank to accommodate payroll; wants the County to be financially stable for whatever may come in the future.
 - ✚ Suggested 'freezing' county and school personnel with salaries of at least \$70,000 in order to work on closing equity gaps
- Miscellaneous:**
 - ✚ Accolades to the school for the CTE program
 - ✚ CSA costs may go down in the near future
 - ✚ DSS Roof needs to be replaced
 - ✚ County debt for vehicles will be complete within the coming year
 - ✚ Salaries here will never be ranked #1
 - ✚ Referred to recruitment range to attract teachers here
 - ✚ Longevity of teachers no longer exists here
 - ✚ Thanked the public for attending.
- Supervisor Hoffman: Questioned if the state has asked for suggestions on ways to move away from the SOL process.

Doreen Jenkins, School Board member, was present and explained that the need for a 'waiver' wasn't due to the school system having poor teachers; feels the teachers are doing a fantastic job. Explained that current SOL testing is being ridiculed nationwide – the original intent was to have the same curriculum being applied at all grade levels and localities at the same time. Currently want to move towards a process that will provide instruction that's more individualized to meet each student's specific learning style. Also noted that during 2008-2009, the school system 'froze' all budgetary spending. Request for an additional \$165,000.00 will cover additional costs required by VRS, and other items (i.e. new computers, etc.). Complimented the Board of Supervisors on the excellent work done during the FY2018 budgetary process. Also noted that Barry Penn Hollar, SB Chair is in Winchester and unable to attend tonight's public hearing session.

- Chairman Jackson: Comments focused on:
 - ✚ Relationship between the county, school board, library board and RRCSB

School Board

- ✚ Although the school system will ask for funding (as much as the County can provide), full funding request may not be provided
- ✚ Advised favor of 'flat funding' (although doesn't seem realistic)

Library

- ✚ County has never cut funding to the library
- ✚ Funding allocation (to the library has increased for the past three (3) years
- ✚ Minor adjustments will be made to the County's FY2018 budget following tonight's session

RRCSB

- ✚ Feels that 'flat funding' is appropriate
- ✚ Complaints have been verbalized for several years
- ✚ Will assess whether services improve
- ✚ County has 'flat funded' other organizations in the past

General Fund

- ✚ Unrestricted funding was used to balance the FY2018 budget (financial tool)
- ✚ Additional revenue has been received within the County
- ✚ All funding is being tracked by department (as provided by the County Administrator & Finance Director)
- ✚ Feels that financial savings will allow the County to initiate some capital projects needed by the County
- ✚ Funding has been provided to the school system without the need to increase taxes
- ✚ Feels that increasing taxes one cent each year will lead to 'over taxation' of the citizens
- ✚ Noted that revenue savings has resulted in a 'tax decrease' to the citizens
- ✚ Costs for services has increased, but local taxes have remained steady
- ✚ Feels the current financial savings cost place the County within a sound financial status

CSA

- ✚ Costs have increased 37% over the past year; County is trying to analyze this situation and assess other viable options.

In closing, the Board thanked all for attending, and also thanked the County Administrator and Finance Director for providing sound information to the Board throughout the FY2018 budgetary process.

4. Public Comment:

Chairman Jackson opened the floor for public comment.

The following citizens provided comment(s):

- ✓ Mike Mosko: Comments focused on the school board's budget – referred to former Presidential administration's objective that called for allocation of extensive funding to failing school systems, which turned out to be an unsuccessful endeavor; doesn't feel that allocating funding is always the answer to everything.
- ✓ Doreen Jenkins: Advised that the local school system 'isn't a failing school system'; noted that the teacher pool is decreasing significantly; noted that some teachers are recruited and due to life circumstances, they have to move onto better paying opportunities.
- ✓ Robert Legge: Advised that SOL's will still be in place but student success will be measured in a different way (which he feels will be better); hopes that the 'waiver' is attained by the local school system.
- ✓ Bob Chappell: Advised that the 'waiver' hasn't been requested – item was removed from last month's meeting agenda at the request of the Superintendent – uncertain if or when the matter will be added; unsure what the future of the potential waiver request is, as it 'may happen' or it 'may not happen.'

With no further comments being brought forth, the public comment opportunity was closed.

5. Closed Session (if necessary)

6. Information/Correspondence:

Broadband Committee: Supervisor Weakley advised that the online broadband survey will be available by the end of the month – update will be published in the Madison Eagle; hard copies will also be available to those without internet access; drop off locations will be established (i.e. library, administration building, etc.).

7. Adjournment:

With no further action being required, on motion of Supervisor Campbell, seconded by Supervisor Hoffman, Chairman Jackson adjourned tonight's meeting. *Ayes: Jackson, Weakley, Campbell, Hoffman. Absent: McGhee. Nays: (0).*

R. Clay Jackson, Chairman
Madison County Board of Supervisors

Clerk of the Board of Madison County Board Supervisors

Adopted on: April 11, 2017

Copies: Board of Supervisors, County Attorney & Constitutional Officers



Agenda
Public Hearing
Madison County Board of Supervisors
Tuesday, April 4, 2017
7:00 p.m.
414 N. Main Street, Madison, VA 22727



Agenda Items

Call to Order

Pledge of Allegiance & Moment of Silence

- 1. Determine Presence of a Quorum/Adopt Agenda**
- 2. Public Comment**
- 3. Public Hearing on FY2018 Budget**
 - a. *Public Comment***
- 4. Public Comment**
- 5. Closed Session (if necessary)**
- 6. Information/Correspondence**
- 7. Adjournment**